

APPLYING FOR RETIREMENT BENEFITS

For most people, applying for a retirement benefit is a once-in-a-lifetime event. We at PERF wish to help you make the transition from your last paycheck to your first PERF check as easy as possible. You have worked many years to secure a rewarding retirement, and right now you have a lot of information to read and some important decisions to make. The checklist contained here will guide you and your family as you take time to choose your retirement options. If you have any questions, call the toll free PERF number, 1-888-526-1687, and we will be happy to assist you.

THE RETIREMENT APPLICATION PROCESS

What members must do:

- Complete a retirement application by making choices about how you and your beneficiaries will receive benefits after you retire.
- Sign the application and have your signature notarized.
- Send PERF the application and all supporting documentation, such as birth certificates, for you and anyone who would receive a PERF benefit after you die.

What employers must do:

- Authorize PERF to make benefit payments based on how long an employee has worked and what wages were paid.
- Be current with PERF employer contributions, which pay for the monthly pensions promised to eligible PERF members.
- Send PERF a report on the last day you worked and the final wages paid. Authorize your last day (some future date) of employment so PERF can establish eligibility.

What PERF does:

- Check each application for required information and signatures.
- Get the information necessary from all employers to calculate the retirement benefit.
- Check PERF financial records to verify that all employer and employee records are accurate.
- Calculate the correct amount of the payment that will be sent each month based on the member's records, the calculation formula established by law and the member's choices on the application.
- Audit that calculation to verify its accuracy.
- Process the benefit for direct deposit each month.

HOW DO I KNOW WHEN I'M READY TO RETIRE?

There are many things to consider before taking that step. Below is a list of questions that can help you to prepare for this important chapter of your life.

- Do you own your home completely? If not, once you retire, will your income be enough to cover your house payments?
- Have you made plans for your family members?
- Have you estimated your total retirement income from all sources? Is that estimate between 60% and 80% of your current income?
- Have you saved or created a plan to save for major expenses like home repairs, traveling or buying a car during your retirement?
- Do you have a current estimate of what your Social Security benefits will be?
- Do you have money saved for emergencies? If not, do you have a plan to maintain a cash reserve for unexpected expenses?
- Do you already have hobbies and activities that you can devote time to once you retire?
- Do you have your wills, trusts and powers of attorney set up as you wish?

If you answered "yes" to most of these questions, you have made preparations for retirement and have a better chance of preserving your current standard of living.

However, if you answered "no" more often than "yes," you might want to more carefully consider your retirement date and begin making financial plans so you will be well-prepared when you do retire.



A Guide to Aid Members in the Transition From Work to Retirement

Funding your future.

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BRIDGE TO RETIREMENT—CHECKLIST

Are you thinking about retiring? Use this checklist to start on the path to collecting your Public Employees' Retirement Fund benefits well in advance. Following these steps will help you bridge the gap between your last paycheck and your first benefit payment, and help you plan for retirement.

PERF mails a quarterly statement detailing your account balance and interest earnings. If you are currently employed in a PERF-covered position or still have an account with PERF, but are not receiving this statement, please contact PERF immediately toll-free at 1-888-526-1687.

If you are **not** at least two years away from your retirement date, please go to www.perf.in.gov and use the Benefits Calculator to estimate your potential benefits and the impact of the various payment options. Call PERF's toll-free number if you have any questions about these choices, the retirement application process, or PERF.

24 MONTHS PRIOR TO RETIRING:

- ☐ Send for an estimate of your PERF retirement benefits. Once you receive it, carefully review the years of service and average salary listed. If there are any issues, please contact PERF or your employer(s).
- ☐ Gather information on other benefits, including Social Security, at www.ssa.gov or call your local Social Security office.
- ☐ Review your current living expenses and project what these will be at retirement. Will your income from all sources cover your projected expenses?
- ☐ Anticipate new or recurring expenses, such as car payments, medical bills and home repairs. You might want to take care of some of these before you retire.
- ☐ Consider your other investments: When will the funds be available? What are your withdrawal options and tax implications?
- ☐ Consider your tax situation. How much will you be required to pay in income taxes?
- ☐ Choose a retirement date that fits your goals. Be sure to consider how much time there will be from your last paycheck to your first benefit payment.

18 MONTHS PRIOR TO RETIRING:

- ☐ If you require assistance in completing your retirement application or if you need help understanding your retirement options, please attend a PERF Outreach pre-retirement workshop or schedule an appointment with a PERF retirement counselor. Pre-retirement workshop reservations are available through your employer.
- ☐ Discuss the various benefit options with your family and decide which works best for your situation.
- ☐ Review health insurance options and verify your post-retirement eligibility.
 - Contact the Retired Indiana Public Employees Association at 1-800-345-9214 for information about their services.
 - If you or a dependent are over 65, you qualify for Medicare.
- ☐ Request an estimate from the Social Security Administration.
- ☐ Finalize your financial plans.
- ☐ Review your estate plan and make sure your will, trust and powers of attorney are up-to-date. Learn how your assets pass to others under Indiana law.

12 MONTHS PRIOR TO RETIRING:

- ☐ Request an Application for Retirement Benefits from PERF or visit www.perf.in.gov to download it. This packet includes a Request for Estimate of Benefits, the application, federal and state tax forms and a direct deposit form.
- ☐ If you need further explanation, call 1-888-526-1687 to schedule an appointment with a Retirement Counselor or attend a pre-retirement workshop.
- ☐ Review your application to make sure you've chosen the options that best suit your needs.
- ☐ Submit the retirement application at least six months in advance of your final day on the job. Keep in mind that your effective date of retirement must be the first of any month that falls after your last day.
- ☐ Begin collecting all required documents, such as birth certificates and copies of Social Security cards, for you and your beneficiaries.

- ☐ Closely review your most recent Annuity Savings Account quarterly statement. Make sure your name and address are correct. If you need to update information, call 1-888-526-1687.

6 MONTHS PRIOR TO RETIRING:

- ☐ Check your Retirement Application for all required information, especially signatures and notarization. Include any required documents, such as birth certificates. Don't forget to include information required for beneficiaries. Keep a copy of the application and documentation for your records.
- ☐ Mail or deliver your Retirement Application directly to PERF. Please be certain to do this six months in advance of your anticipated last day of work in order to ensure the shortest possible gap between your last pay check and your first benefit payment.
- ☐ Complete a direct deposit form for your monthly benefits. Direct deposit guarantees that your monthly benefit will be placed into your bank account (or other financial account) by the 15th of each month.

1 MONTH PRIOR TO RETIRING:

- ☐ Inform your employer of your intention to retire, if you have not done so by now. Be certain to choose a retirement date that falls after your eligibility date for retirement benefits.
- ☐ Fulfill all your obligations to your current employer. Complete any outstanding paperwork required by your employer(s), checking carefully for errors in addresses, beneficiaries or personal information like your Social Security Number.
- ☐ Look forward to venturing into the next chapter of your life!